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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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ERNEST GOTTDIENER, Derivatively and on	:	Civil Action No.
Behalf on Nominal Defendant TARRAGON	:	07 Civ. 9436 (PKC)
CORPORATION,	:	
	:	
Plaintiff,	:	
v.	:	
	:	
WILLIAM S. FRIEDMAN, ROBERT P.	:	<u>Oral Argument Requested</u>
ROTHENBERG, WILLIE K. DAVIS, LANCE	:	
LIEBMAN, LAWRENCE G. SCHAFRAN, V.J.	:	
SHRAG, CARL B. WEISBROD, RICHARD S.	:	
FRARY, MARTHA E. STARK, ROBERT C.	:	
ROHDIE, and ERIN DAVIS PICKENS,	:	
	:	
Defendants,	:	
	:	
and	:	
	:	
TARRAGON CORPORATION,	:	
	:	
Nominal Defendant.	:	
-----X	:	

**DECLARATION OF THERESA A. FOU DY
IN SUPPORT OF DEFENDANTS' MOTION TO DISMISS
THE AMENDED SHAREHOLDER'S DERIVATIVE COMPLAINT**

I, Theresa A. Foudy, pursuant to 28 U.S.C. § 1746, declare as follows:

1. I am a member of the bar of this Court and of the firm Curtis, Mallet-Prevost, Colt & Mosle LLP, counsel for Defendants William S. Friedman, Robert P. Rothenberg, Willie K. Davis, Lance Liebman, Lawrence G. Schafran, Raymond V.J. Schrag, Carl B. Weisbrod, Richard S. Frary, Martha E. Stark, Robert C. Rhodie, and Erin Davis Pickens (collectively, "Defendants"), in the above-captioned action. I submit this declaration in support of the Defendants' Motion to Dismiss the Amended Shareholder's Derivative Complaint.

2. Attached hereto as Exhibit A is a true and correct copy of the Amended Stockholder's Derivative Complaint in this action.

3. Attached hereto as Exhibit B is a true and correct copy of the press release issued by Tarragon Corporation on August 9, 2007.

4. Attached hereto as Exhibit C is a true and correct copy of the Form 8-K filed by Tarragon Corporation with the Securities and Exchange Commission on August 23, 2006.

5. Attached hereto as Exhibit D is a true and correct copy of the Form 8-K filed by Tarragon Corporation with the Securities and Exchange Commission on April 2, 2007.

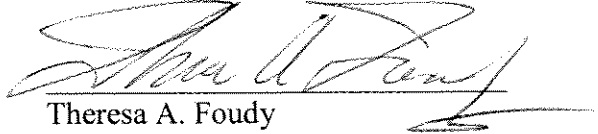
6. Attached hereto as Exhibit E is a true and correct copy of the Form 4 filed by Defendant Lawrence G. Schafran with the Securities and Exchange Commission on May 18, 2005.

7. Attached hereto as Exhibit F is a true and correct copy of the Form 4 filed by Defendant Lucy N. Friedman, wife of Defendant William S. Friedman, with the Securities and Exchange Commission on June 28, 2005.

8. Attached hereto as Exhibit G is a true and correct copy of pages 84-88 of the Schedule 14A Proxy Statement filed by Tarragon Corporation with the Securities and Exchange Commission on June 21, 2007.

I declare under penalty of perjury of the laws of the United States of America that
the foregoing is true and correct.

New York, New York
March 7, 2008



Theresa A. Foudy